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1631210017-St. Clar Count Suiget/Midstates T.D.F. Compliance file 144945

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G. GORDON BURROUGHS OF COUNSEL

FAX 618 656-1364

*ALSO LICENSED IN MISSOUR!

February 8, 1994

Ms. Deanne Virgin Compliance Unit Planning and Reporting Section Bureau of Land #24 Illinois Environmental Protection Agency 2200 Churchill Road P.O. Box 19276 Springfield, Illinois 62794-9276

1631210017 St. Clair County

Sauget/Midstates TDF

Compliance

Dear Ms. Virgin:

This letter is in response to Mr. Kenneth G. Mensing, Regional Manager, Field Operations Section's notice of inadequate compliance dated December 15, 1993, which was in response to Midstates' proposed clean-up schedule dated November 3, 1993 and directed to Paul Purseglove.

As I discussed in my November 3, 1993 letter, Midstates TDF, Inc. is no longer an operating entity. The owner of the property, Empire Chem Realty, Inc. (hereinafter "Empire") has filed bankruptcy and is under the protection of the bankruptcy court. At the time of the original letter, Empire was negotiating a lease of the premises to IPC-TDF, Inc. proposed lease required approval by the bankruptcy court in New York, which is why we could not specify a commencement of operations date in the proposed clean-up schedule.

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IEPA/DLPC

Ms. Deanne Virgin February 8, 1994 Page Two

IPC-TDF, Inc.'s lease was approved by the bankruptcy court on January 13, 1994, and a copy of the order is attached as Exhibit A. Therefore, we are amending the proposed clean-up schedule as follows:

PROPOSED CLEAN-UP SCHEDULE

IPC-TDF, Inc. shall occupy the subject site on or about January 18, 1994 and said date shall be the "commence work" date. The Lease Agreement is for a term of ten years. A diagram of the site is attached hereto as Exhibit B and shows the inventory of the tires and tire related by-products as presently located on the site.

The clean-up schedule and methods are as follows:

- 1. Whole Tires -- Prior to complete shutdown, most of the whole tire inventory as Midstates TDF, Inc. was shredded. The small amount of whole tires which remain, mostly truck tires, will be either removed from the site or shredded by April 18, 1994, by IPC-TDF, Inc.
- 2. Baled Material -- It is estimated that there is an inventory of about 150 tons of baled rubber material on the ground. IPC-TDF, Inc. will have either removed or shredded this material by July 17, 1994.
- 3. Large Piles of Material with Metal -- This is the largest material remaining on the ground at the site and therefore, our client is asking for the longest time period to solve this problem. There may be several solutions which do not require trucking and disposal to an appropriate landfill. It is proposed that within one year following commencement of operations that IPC-TDF, Inc. will have either removed or shredded this material, said completion date being January 18, 1995.

FINANCIAL ASSURANCE

As you are aware, Midstates TDF, Inc. has ceased its operations. Midstates has worked closely with Empire Chem Realty, Inc., the land owner, to help IPC-TDF, Inc. get started and to continue the important business of tire recycling. Therefore, it is proposed that the Financial Assurance provisions not be required of either Midstates TDF, Inc. or IPC-TDF, Inc. so long as the program and schedule, as proposed, is adhered to and completed. All of the obligations contained herein are part of the Lease Agreement with IPC-TDF, Inc.

Ms. Deanne Virgin February 8, 1994 Page Three

Enclosed is a letter from IPC-TDF, Inc., attached as Exhibit C, indicating that they have reviewed this proposal and agree to assume the duties and obligations as set forth herein when it is incorporated into the Lease Agreement and said agreement becomes in full force and effect. That has been accomplished as of January 18, 1994.

We shall look forward to your review and approval of this proposal.

Thank you for your attention to this matter.

Sincerely,

JACK H. HUMES

JHH/jaw

cc: Mr. William Whitaker

Mr. Mathew B. Librach

Mr. Douglas E. Hayward

Mr. Mark Holloway

Debtor.

Exhibi+ A

per 121/94

UNITED STATES BANKRUPTCY COURT NOFTHERN DISTRICT OF NEW YORK

In Re:

EMPIRE CHEM REALTY, INC.,

STIPULATION & ORDER

Chapter 11

Ca

Case No.: 93-12752

Upon Motion having been made by the debtor herein for approval of a centain proposed lease of a portion of the debtor's real property to IPC/TDF, Inc., and an objection having been made to the said application by the creditor Charles M. Pritchett, and the matter having been on to be heard by the Court on December 20, 1993, it is hereby stipulated and agreed as follows:

- 1. The objections to the proposed lease have been satisfied.
- 2. The creditor, Charles M. Pritchett, by his attorneys, Griffen, Zube & Chariff, hereby withdraw the objections and their opposition to the approval of the above-described lease; and
- 3. The objections having been withdrawn, the parties, by their attorneys, agree, consent and stipulate that an Order may be entered approving the proposed lease between the debtor and IPC/TDF, Inc.

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... DAVID/10BE, Attorney for Creditor Charles M. Pritchett

OUPLICATE COMAL

CHERNIN & GOLD

y: Attorney for

Debtor

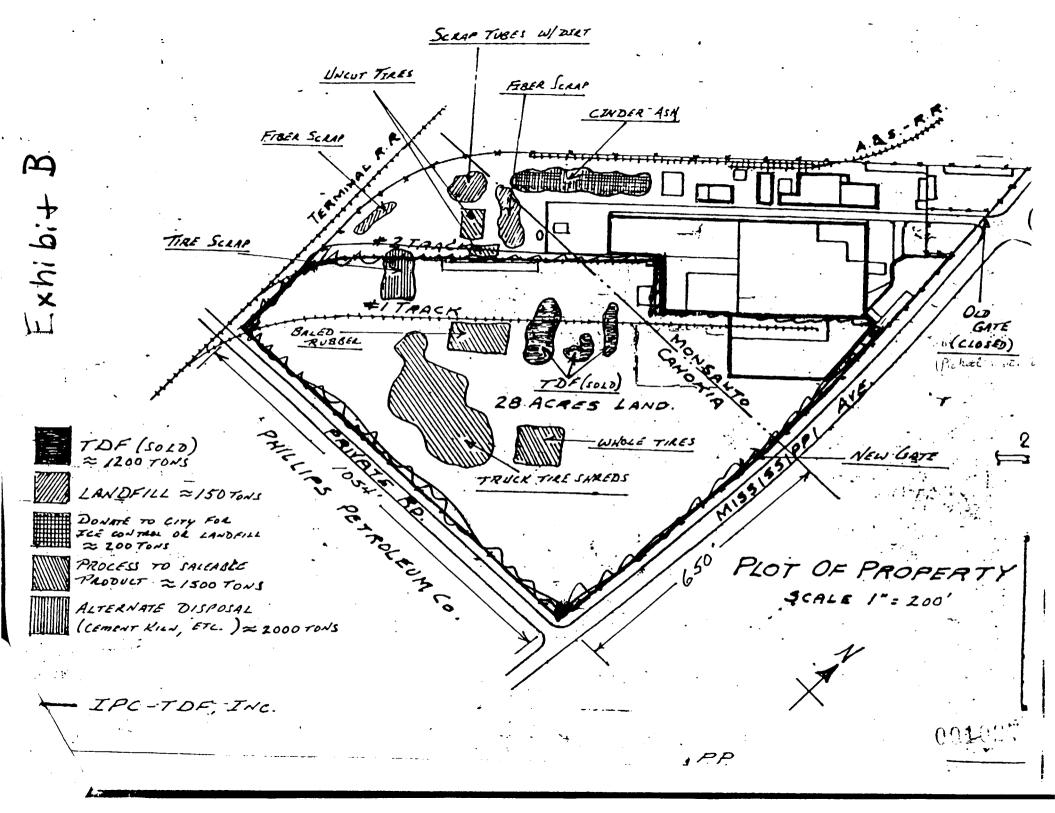
SO ORDERED,

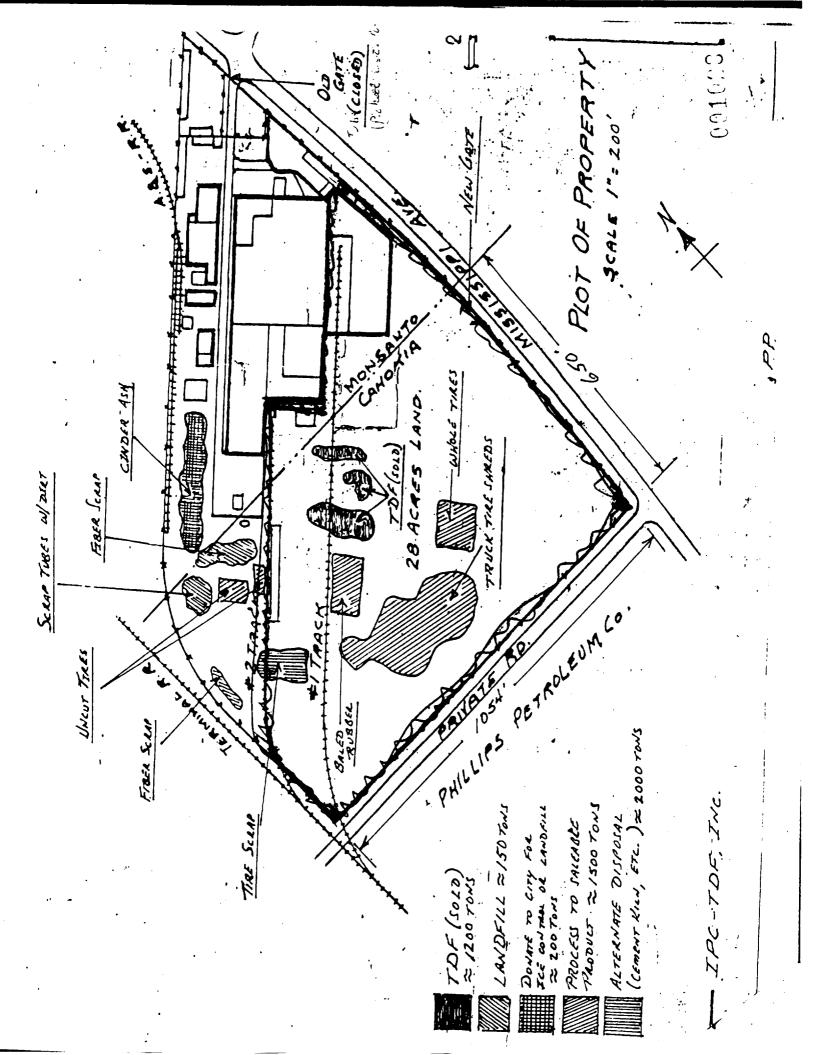
Dated:

JAN 1 3 1994.

ייפידע ד אַנערטעע

001026







Exhibi+C

November 5, 1993

Mr. Jack H. Humes, Jr.
Burroughs, Hepler, Broom, MacDonald & Hebrank
Two Mark Twain Plaza
Suite 300, 100North Main Street
Edwarsville, IL 62025-0510

Re: Clean-up Proposal outlined in your letter to Illinois EPA dated November 3, 1993

Dear Jack.

IPC-TDF. Inc has reviewed this proposal and agrees to assume the duties and obligations as set forth therein when it is incorporated into the Lease Agreement and said Agreement becomes in full force and effect.

Thank you for your time and efforts.

Sincerely.

Mark E. Holloway

President

cc: Mr Paul M. Purseglove

Mr. Douglas E. Hayward

Mr. Mathew B. Librach